



Study Session: One-time Monies

Jan Mazyck, Chief Financial Officer

July 13, 2021

Review of non-recurring revenues / one- time monies:

PG&E Settlement Funds: Overview of Existing Allocation

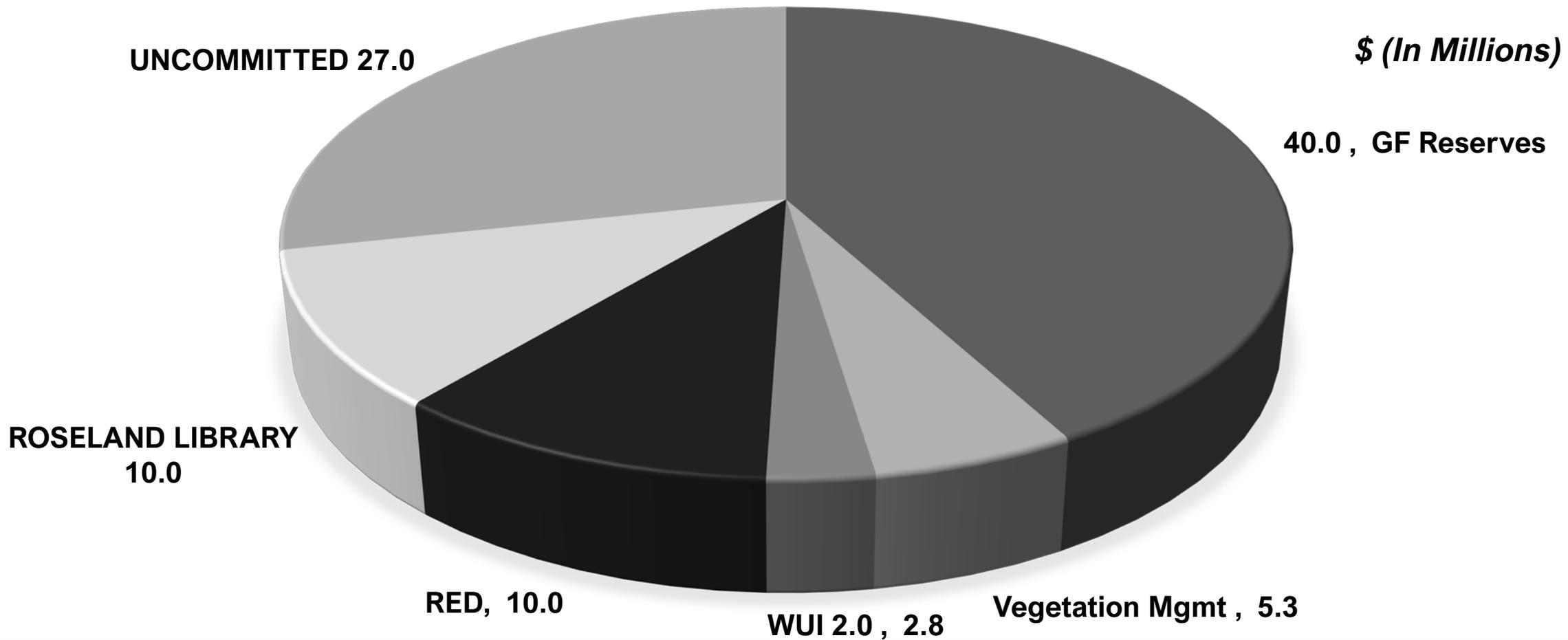
PG&E Settlement Funds: Potential Projects

American Rescue Plan Act (ARPA): Overview

Potential ARPA Projects: Community Assistance

Potential ARPA Projects: Infrastructure and Grants

\$ (In Millions)



PG&E Settlement Funds: \$95M

- \$48M Obligated (GF Reserves, Fire Resiliency Projects)***
- \$20M Committed (RED Contribution, Roseland Library)***
- \$27M Remaining Balance Uncommitted***

PG&E Settlement Funds

- *Assignments occur with the close of each fiscal year*
- *Settlement funds received as revenue recognized as one-time receipts and deducted from on-going revenues*
- *Settlement funds NOT appropriated will be assigned at fiscal year-end, and may be unofficially recognized as such; however, they will not be presented as such until the audited financial statements for FY 2020/21 are published*

City of Santa Rosa		
Status of PG&E Settlement Funds		
<i>(in millions)</i>		
	Date	Amount
Settlement Received	July 2020	\$ 95.0
Current Obligations/Commitments		
GF Reserves (Fiscal Stability)		\$ (40.0)
Match County Commitment to RED		\$ (10.0)
Roseland Library		\$ (10.0)
Vegetation Management		\$ (5.25)
Wildland Resiliency/Response Strategic Plan		\$ (2.75)
	Subtotal	\$ (68.0)
Total Uncommitted Settlement Funds		\$ 27.0
Notes on Process:		
~ <i>Assignments occur with the close of each Fiscal Year.</i>		
~ <i>Settlement funds received as revenue in the current FY, are deducted from revenue totals as recognized as one-time receipts.</i>		

Fire Recovery Projects: \$20M

	City Estimate	Notes
<i>Hopper Avenue Corridor</i>	\$6.0M	<ul style="list-style-type: none">▪ <i>Sidewalk Repair and Other Projects</i>▪ <i>Requested by residents in public outreach meetings</i>▪ <i>Did not fit within FEMA funded projects</i>
<i>Residential Street Repair</i>	\$7.0M	<ul style="list-style-type: none">▪ <i>Focus on residential streets</i>▪ <i>Total project cost as much as \$14M, remainder potentially from CDBG</i>▪ <i>FEMA project denied; no decision issued on appeal</i>
<i>Re-Landscaping and Vegetation Restoration</i>	\$7.0M	<ul style="list-style-type: none">▪ <i>Landscaping is not FEMA-eligible</i>▪ <i>Work in Fountain grove area and six parks</i>▪ <i>Projects include irrigation and other infrastructure to support vegetation</i>

American Rescue Plan Act Funds

- *What funds may and may not be used for*
- *Program spending considerations based on eligible uses*
- *Given temporary nature of funds, attempted alignment with temporary expenditures*

\$17.1M received in FY 21

***\$17.1M to be received in
FY 22***

***All funds required to be
spent by December 31,
2024***

ARPA: Specific timing and spending requirements; consistent compliance and certification necessitated

- ✓ Revenue replacement for government services
- ✓ COVID-19 expenditures and/or negative economic impacts of COVID-19 for
 - Small business assistance
 - Industries that are hard hit
 - Economic-recovery specific
- ✓ Premium pay for essential workers (with income restrictions)
- ✓ Investments in water, sewer, and broadband infrastructure
- ❑ May not be used to directly or indirectly to offset tax reductions or in conjunction with other federal sources
- ❑ Funds cannot be deposited into pension fund system
- ❑ Must be spent and fully accounted for by December 31, 2024

**ARPA
Proposed
Program
Funding:**

\$34,265,710

City of Santa Rosa
American Rescue Plan Act (ARPA)
Potential Project/Program Funding

Tranche 1 (May 2021):	\$	17,183,718
Tranche 2 (May 2022):	\$	17,183,718
ARPA Funds Obligated	\$	34,367,435

Project/Program Categories

		FY 2021-22 Tranche One	FY 2022-23 Tranche Two	FY 2023-24 Remaining
A. Public Health and Economic Impacts				
Services to Address Homelessness	\$	4,154,313	\$ 4,000,000	3,980,000
Safe Parking	\$	1,000,000	\$ 1,000,000	
Universal Basic Income	\$	480,000	\$ 480,000	
Utility Bill Assistance	\$	1,900,000		
Jobs Program	\$	500,000	\$ 500,000	
Childcare Programs	\$	1,500,000	\$ 1,000,000	500,000
Secure Family Fund	\$	50,000	\$ 50,000	50,000
Expand Recreation Sensation Program	\$	105,000	\$ 105,000	105,000
Small Business Tenant Improvements	\$	500,000	\$ 500,000	
Parklet Grants for Restaurants	\$	500,000		
C. Revenue Loss				
Projects funded from lost revenue	\$	1,306,397		
D. Investments In Infrastructure				
Broadband Projects	\$	5,000,000	\$ 5,000,000	
Total Projects and Programs	\$	16,995,710	\$ 12,635,000	\$ 4,635,000
General Fund Budget Reduction	\$	5,460,710	\$ 4,000,000	\$ 3,980,000

ARPA Proposed Projects/Programs: \$17M

Total Community Assistance Programs: \$9.7M

	City Estimate	Notes
Homeless Assistance and Safe Parking	\$5.2M	<ul style="list-style-type: none"> ▪ Replace GF contribution to Homeless Services and Affordable Housing with ARPA funds (\$4,154,313) ▪ Funding for 24/7 Safe Parking Program (\$1,000,000)
Family Programs	\$1.7M	<ul style="list-style-type: none"> ▪ Childcare Programs (\$1,500,000) ▪ Expand Recreation Sensation (\$105,000) ▪ Secure Family Fund (\$50,000), increase from \$50,000 to \$100,000
Assistance To Families: Utility Bills, UBI, Jobs Program	\$2.9M	<ul style="list-style-type: none"> ▪ UBI (100 families, \$400.00/mo for 1 year) = \$480,000 ▪ Jobs Program, \$500,000 ▪ Utility Bill Assistance, \$1,900,000

ARPA Proposed Projects/Programs: \$17M

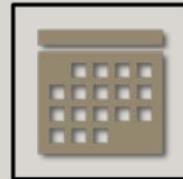
Total Infrastructure and Grant Programs: \$7.3M		
	City Estimate	Notes
Broadband Projects	\$5.0M	
Small Business Tenant Improvement Grants & Parklet Grants for Restaurants	\$1.0M	<ul style="list-style-type: none"> ▪ Tenant Improvement Grants (\$500,000) ▪ Responds to businesses negatively affected by the COVID-19 pandemic ▪ Parklet Grants to restaurants (\$500,000) ▪ Addresses need for social distancing
Projects Funded through lost revenue	\$1.3M	<ul style="list-style-type: none"> ▪ Lost revenue can fund a broad array of general City services ▪ Fund streetscape designs to address bike parking, street trees and vegetated planter strips

ARPA Reporting Requirements

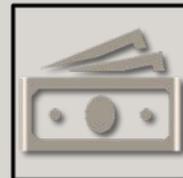


1st Expenditure report
due to Treasury:
August 31, 2021

ARPA
expenditures
from March 3,
2021, to July
31, 2021



Quarterly reporting thereafter, with
next report due:
October 31, 2021

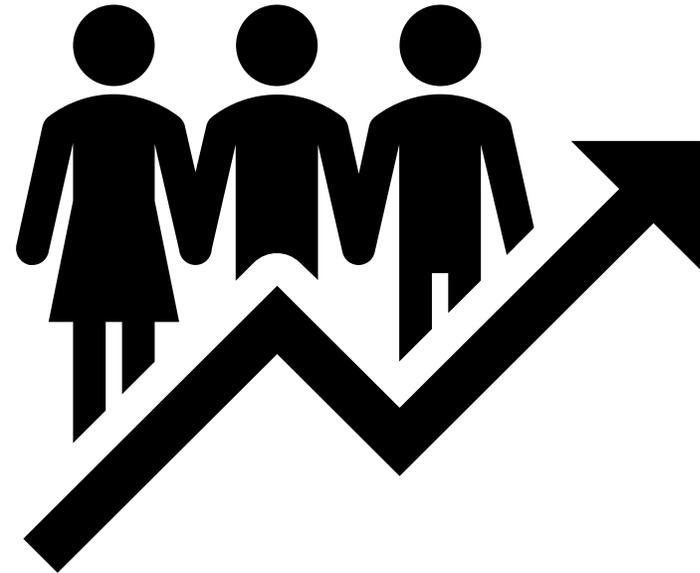


Only report on
expenditures for that
period

Do not need to
report on
proposed
expenditures

Next Steps:

- *Provide direction to staff*
- *With any proposed changes, we will return to Council with a revised spending plan for adoption (beginning of September)*
- *Submission of expenditure report no later than August 31 – report will indicate no expenditures incurred to date*

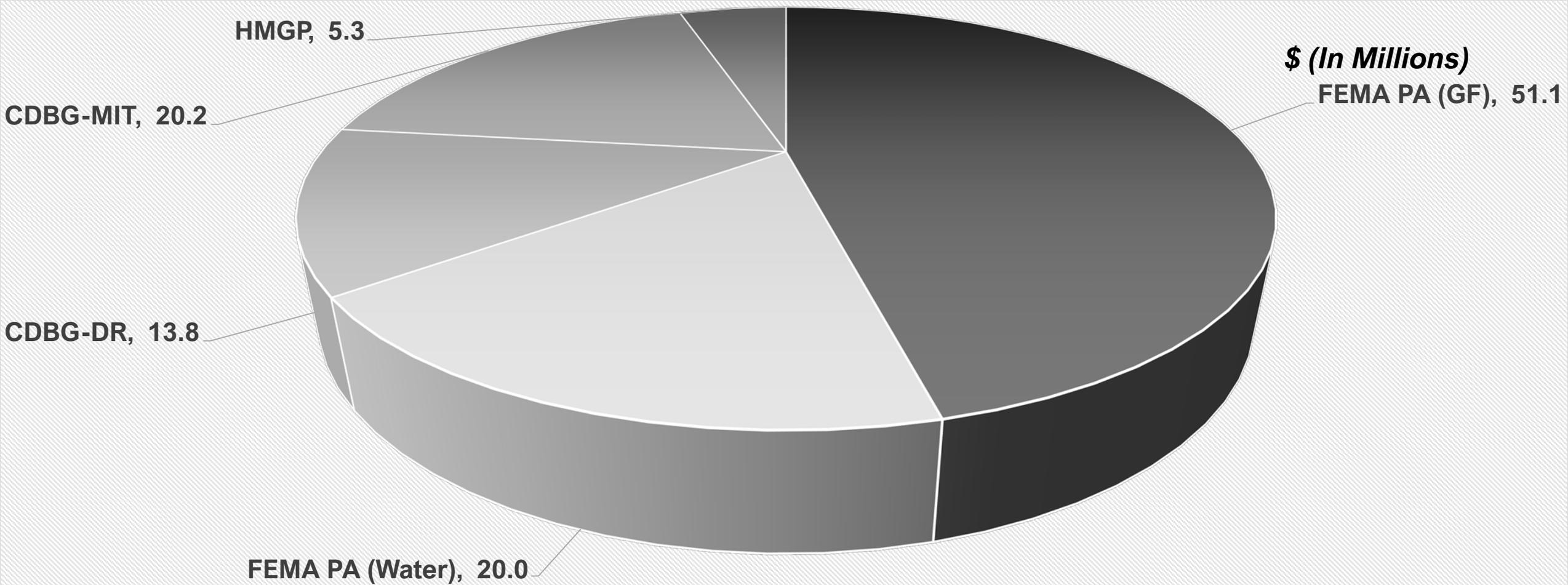


APPENDICES:

Federal Funding for Disaster Recovery

(FIRE RECOVERY & MITIGATION GRANTS): \$110.4M

COVID-19 PANDEMIC RESPONSE: \$41.7M



Fire Recovery and Mitigation Grants: \$110.4M

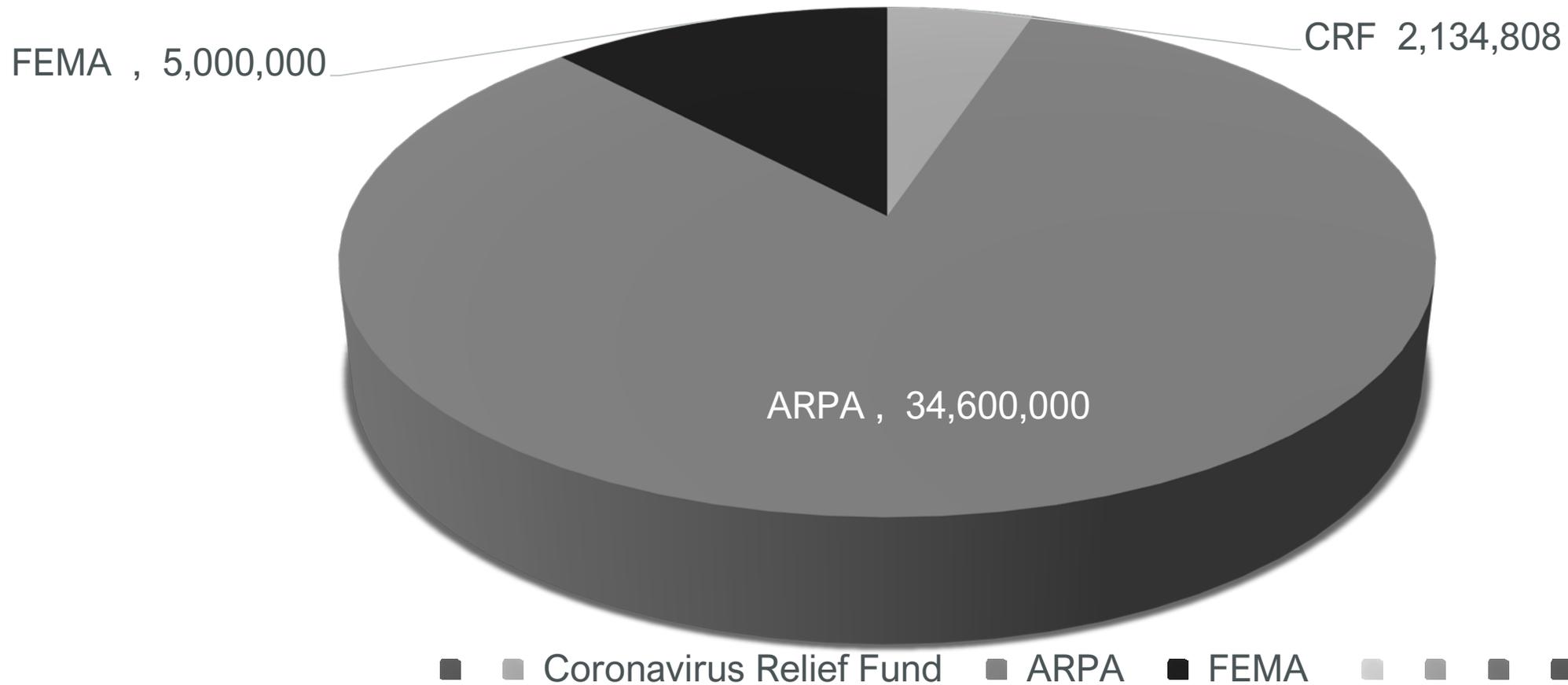
- Grant Projects for Fire Recovery or Mitigation***
- City Draws Funds When Project Milestones Complete***
- Revenues Received Only Upon Request From City***

**Project cost estimates = \$71.2M; Obligated amount = \$32.3M;
Receipts to date = \$14.1M**

FEMA Public Assistance Funds				
	Obligated Amount	City Estimate	Received	Notes
<i>Emergency Response</i>	\$4.7	\$10.3	\$3.7	<ul style="list-style-type: none"> ▪ <i>General Fund and Water Fund response to Tubbs Fire</i> ▪ <i>Labor and Material costs for initial response (approx. through November)</i>
<i>RECOVERY PROJECTS: (General Fund)</i>	\$15.4	\$41.7	\$4.7	<ul style="list-style-type: none"> ▪ <i>Permanent Recovery Projects</i> ▪ <i>City Budgets for Recovery Projects</i> ▪ <i>Revenue is Received Through Requests for Reimbursement at Key Project Milestones</i>
<i>RECOVERY PROJECTS: (Water Fund)</i>	\$12.5	\$19.2	\$5.7	<ul style="list-style-type: none"> ▪ <i>Water-Related Permanent Recovery Projects</i>

Project cost reimbursement: Total Allocation = \$39.3M

Disaster Grant Funds				
	Funding Source	Amount	Received	Notes
<i>CDBG - DR</i>	State of CA HCD	\$13.8	\$0	<ul style="list-style-type: none"> ▪ <i>Funding for Disaster Recovery Infrastructure Projects</i> ▪ <i>State determines the amount available and makes awards to each agency</i> ▪ <i>Project-specific funding, subject to HUD and HCD guidelines</i> ▪ <i>Project cost > allotment is borne by the City</i>
<i>CDBG - MIT</i>	State of CA HCD	\$20.2	\$0	<ul style="list-style-type: none"> ▪ <i>Funding for Resilient Infrastructure Projects.</i> ▪ <i>Same requirements as CDBG-DR enumerated above</i>
<i>Hazard Mitigation Grant Program (HMGP)</i>	FEMA and CalOES	\$5.3	\$0.1	<ul style="list-style-type: none"> ▪ <i>Project costs through Request for Reimbursement process</i> ▪ <i>Costs > project award is borne by the City</i>



COVID-19 Response : \$41.7M

- FEMA PA (Response, PPE, Non-Congregate Sheltering)***
- American Rescue Plan Act (ARPA)***
- Coronavirus Relief Fund (CRF), CARES Act for Response***

FUNDING FOR COVID-19 RESPONSE = \$41.7M

FUNDS BY DIRECT ALLOCATION				
	FUNDING SOURCE	ALLOCATION	COLLECTED	NOTES
Coronavirus Relief Funds	CARES Act via State Coronavirus Relief Fund	\$2.1	\$2.1	<ul style="list-style-type: none"> ▪ <i>Emergency Response from March – June 2020</i> ▪ <i>Freed-up reserves to be used toward Child Care Program</i>
American Rescue Plan Act (“ARPA”)	United States Department of the Treasury (“Treasury”)	\$34.6	\$17.3	<ul style="list-style-type: none"> ▪ <i>Issued directly from Treasury</i> ▪ <i>Two (2) tranches: May 2021 and May 2022</i> ▪ <i>Specific Eligibility & Ineligible Uses</i> ▪ <i>Quarterly Reporting beginning in Fall 2021</i>
FEMA PA	FEMA	\$5		<ul style="list-style-type: none"> ▪ <i>PA Project not-yet obligated by FEMA</i> ▪ <i>Supplement to CRF Funds</i> ▪ <i>Largest Expense is Non-Congregate Sheltering (Sandman Hotel)</i>